From: Tom Byrne
To: Microsoft ATR
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Subject: Microsoft Settlement

Although I would like to see the Microsoft suit go the US Supreme Court where I am confident that the District Court's verdict would be vacated, the Federal government and Microsoft have finally reached agreement on settling the matter. Therefore, this settlement should be accepted by the court.

From its very beginnings this suit was ill conceived, politically motivated, and underwritten by Microsoft competitors. While certain Microsoft contracting practices deserved judicial scrutiny, the essence of the suit missed the underlying technical issue by a country mile. The battle is really about something called a Virtual Machine (VM), an internal part of the operating system that the Internet browser relies on and that an end user never really sees.

The VM is the software component in the browser that allows "Java" to work. Java is the much-ballyhooed technology that Sun Microsystems touts as the lingua franca of the Internet that will eliminate the need for robust operating systems. Obviously, the Sun and Netscape folks support this approach and Microsoft does not. Microsoft perceives Java as merely another programming language, albeit well suited to the Internet, and has already "enhanced and embraced" it by creating J++ (now C#). Of course, it should also be noted that the entire stable of Microsoft languages are being upgraded to exploit the Internet.

The Microsoft .Net based languages leverage the Windows operating systems (95, 98, NT, 2000, XP) thereby creating performance and functionality advantages that a stand-alone language could never achieve. Herein lies what the battle is really all about. Should Microsoft's be allowed to exploit the operating system advantages that it has spend billions of dollars to develop in order to make the best VM that it can, or should the government create a separate Internet/Java industry by edict? Further, should Microsoft be constrained from further enhancing operating systems functionality? It should be noted that significant technical arguments about specific functionalities being stand-alone, incorporated into an operating system, or leveraged have gone on for decades with each approach having its ebb and flow as technology advances.

Java, the mantra from the "open standards folks" (i.e., Microsoft competitors), is pursuing the very desirable goal of creating an environment that would allow any program to run on any computer without any modification. This pursuit is not new. Over the past three decades there have been several attempts to achieve this goal. In fact, about a dozen years ago, some of the folks who are now working on Java also worked on another attempt named "X Windows". X Windows attempted to compete with Microsoft Windows and Macintosh Windows, but it failed to gain market share

because Microsoft and Apple continually improved their product faster than X Windows could catch up with the functionality of the previous version. This time out, the Federal government - perhaps as an unwitting ally - tried to stop, or at least slow down, Microsoft's progress so that the Java technology could catch up; a very bad move and one which probably contributed to the technology meltdown.

The Federal government's rationale for initiating the suit was its interest in "leveling the playing field". However, Sun Microsystems is a major league player in its own right ($18 billion in 2001 revenues). In fact, when one considers the financial and marketing muscle of its partners, and the AOL/Time Warner consortium, these forces actually dwarf Microsoft. The government took sides in a technology battle best left to our free market economy. Now that agreement has been reached, it is time to end this charade.